

52 PER CENT. FLAGG IS INDICTED AGAIN

Seven Agents With Him: His
Booklet Defence Used
Against Jared.

WANTED GUNSAULUS'S AID

Government Says the Fraud
Was Big, but Victims
Wouldn't Believe It.

New indictments were returned yesterday by the Federal Grand Jury against Jared Flagg and eight men associated with him in his enterprise of offering to make 1 per cent. a week for persons who would entrust their money to him for speculation in Wall Street.

One of the seven counts of the indictment against Flagg is based on a letter in which the name of the Rev. Dr. Frank W. Gunsaulus of Chicago, president of Armour Institute, is mentioned. In this letter Flagg's Chicago agent said he intended to try to interest Dr. Gunsaulus through the Chicago attorney for the Standard Oil Company.

The new indictments are far more sweeping than the previous ones. They are based partly on the testimony of Flagg himself. Flagg issued a booklet after his office was raided on September 23, 1911, in which he said he was being hounded by the Federal authorities and that if he could present his case before the Grand Jury and be indicted in the face of testimony which would plead guilty, the booklet had a wide circulation and created such comment that the Flagg case was reopened and he was invited to become a voluntary witness. He was before the jurors for two days.

When Flagg's office at 165 West Fortieth street was raided by the Post Office authorities on the ground that he was using the mails to defraud the men arrested with him were Daniel N. Morgan of Bridgeport, Conn., ex-treasurer of the United States; F. Tompkins Nesley, the publisher; the Rev. James T. Schock, pastor of a Dutch Reformed Church at Plainfield, N. J.; Alvin M. Higgins, a lawyer; E. A. Schiller, Joshua Brown and Henry A. Jackson. All were indicted four days later and were released on bail.

Nesley, Schiller and Brown are not named in the indictments handed yesterday to Judge Hand, but three others were. They are James Allen and Edward C. De Wolf, Flagg's Chicago agents, and Rufus P. Hankey, the agent at Detroit.

Just after the raid De Wolf came here and characterized the arrest of Flagg and his associates as a great mistake. He said he had been a customer of Flagg's in Chicago for nearly two years, and in that time had cleared \$4,000 on an investment of \$10,000. He said that the only way a customer of Flagg's could lose was for all the stocks sold short to go up and all sold long to go down at the same time, and this had never happened in the history of the stock market. De Wolf was invited before the Grand Jury and his indictment returned.

Each of yesterday's indictments charges the conspiracy to defraud. The first six counts describe how Flagg formed his customers into units of \$10,000 each and had two classes of these units. For one class he represented that he was buying short and selling long, and for the other selling short and buying long.

The indictment charges that Flagg represented that there would be a one point profit for each customer on a transaction, and that no matter what the market did the "loss" couldn't lose. It alleged that a part of Flagg's fraudulent scheme was to get profits for himself by inducing the brokers who were to handle the money to get rebates on the commission charged to him, while he charged up the full amount to his customers. It is against the rules of the Stock Exchange for a broker to give secret rebates on commissions.

MURPHY'S FOES UNITE TO OUST HIM AS BOSS

Empire State Democracy Charges
That Tammany Leader
Is a Traitor.

WILSON TO BE CONSULTED

New Organization Starts With
Bitter Speeches by Up-
State Democrats.

The movement started a couple of weeks ago by Senator Franklin D. Roosevelt to form an independent Democratic organization, having for its purpose the driving of Charles F. Murphy from the leadership of the party in this State, was set afoot in promising shape last night when nearly 100 Democrats from all parts of the State, many of them leaders of the party in their districts, met at the Hotel Belmont and formed themselves into an organization which is to be known as the Empire State Democracy.

In the many speeches that were heard during the evening not one speaker said a word that could be construed as being detrimental to the candidacy of Gov. Wilson, but outside of this the feeling was strong and emphatic that Mr. Murphy and those allied with him should not be permitted to make up the State ticket.

Some of the speakers, one of them, Charles F. Rattigan of Auburn, said that if it was left to Murphy to name the State ticket he would select candidates that would impair the chances of Gov. Wilson carrying the State. Thomas Mott Osborne went even further than this and declared that if Gov. Wilson allowed himself to be tied up with Tammany Hall he would lose thousands of votes in the upper part of the State. Real union in the Democratic party in the State, he asserted, could never be brought about while Murphy was allowed to continue in the dominating position he now holds in the party.

"Murphy and his clique," he added, "stand in the way of true Democracy, and if we want to elect Wilson we must block Murphy and all that he stands for. If you want him down here all right, keep him, continue to act as a rubber stamp for him, but up in Cayuga, where I come from, we will not stand for the brand of Democracy that Murphy represents. The only way this movement can succeed is to go into this fight with a club and see that the club is heavily loaded."

After other speakers had expressed themselves along similar lines a resolution was introduced, part of which read: "The Empire State Democracy invites you to join it in ridding the Democratic party in this State from the leadership of Charles F. Murphy and his clique, and the men whose instrument he is."

They have brought a once great, flourishing and representative political organization to the verge of ruin and to the borderland of disgrace.

They have seized a great representative, majority political organization, and by using it as an instrument only for place and profit reduced it to a hopeless, minority party, which it will remain so long as they control it.

They have, by their aims, methods and want of political principles, alienated the support of thousands of Democrats throughout the State and driven them to a temporary refuge in other parties.

JEAN DE RESZKE COMING BACK.

Famous Tenor Engaged by Dippel
for 20 Opera Performances.

Jean de Reszke, the famous tenor, who retired from the operatic stage twelve years ago, is to sing again in this country. Andreas Dippel has engaged him for twenty appearances with the opera company in Chicago and Philadelphia next winter. M. de Reszke also expressed the wish that he might sing once more at the Metropolitan Opera House.

Alexander Lambert, the pianist, who is a great friend of Jean de Reszke, arrived in New York on Tuesday. He told a Sun reporter that he had seen M. de Reszke several times in Paris. "Jean told me that his voice was never in better condition," Mr. Lambert said yesterday, "and he would never return to the stage unless he were sure to cover himself with credit. He says that he is naturally extremely nervous over the prospect of returning to the stage after twelve years of retirement, but he is sure his voice is as fine as ever."

Jean de Reszke sang in this country for the last time in the season of 1901. He had been in Paris for a year before his place in the company had been taken by Albert Alvarez. Since leaving the Metropolitan Opera House de Reszke had sung at the Opera in Paris for several years but so far has only produced one pupil of note. This was Marie Texe, who sang in New York last winter.

M. de Reszke, who has never yet been heard as Siegmund in "Die Walkure," will sing that part for the first time next winter with Mr. Dippel's company.

LORIMER LEFT NO VACANCY.

Gov. Deneen May Not Appoint a
Senator in His Place.

SPRINGFIELD, Ill., July 17.—Attorney-General Stead in an opinion submitted to Gov. Deneen this evening holds there is no vacancy in the office of United States Senator in Illinois due to the action of the United States Senate in ousting William Lorimer. He therefore rules that the Governor has no power to appoint a Senator.

The Attorney-General says the case of Lorimer is analogous to the cases of Lee Mantle of Montana and Matthew S. Quay of Pennsylvania, both of which involved the question of the power of the State Executive to appoint a Senator where the Legislature of the State had failed to elect.

The interpretation put on the Lee resolution by Attorney-General Stead is that the Legislature of Illinois in 1909 failed to elect a United States Senator.

BIG WELCOME FOR LORIMER.

Plan Demonstration in Chicago—
Boomed for Representative.

CHICAGO, July 17.—William Lorimer will receive a demonstration when he returns to Chicago next Tuesday. He will be met by a train full of friends and paraded through the streets to his home. At night a mass meeting will be held at the Auditorium Theatre, at which he will be the principal speaker.

The demonstration was arranged for at a meeting of 100 friends of Lorimer in the Gray room at the Hotel Sherman to-day. In conjunction with the demonstration a secret boom was started to elect Lorimer to the House of Representatives from his home district, the Sixth. The scheme was to have James McAndrews, Democratic nominee, withdraw and then run Lorimer by petition as an independent. McAndrews to-night told friends he would not withdraw.

LIVE WIRE KILLS FIRE CAPTAIN; 21 INJURED

Lantern Carries 5,700 Volts
From Arc Light in At-
lantic City.

ONE CLUTCHES HIS HEEL

Bureau Head Unconscious After
Trying to Drag Dead Man
From Danger.

ATLANTIC CITY, July 17.—Capt. Edward Barnett, 40 years old, head of the central fire station, was killed; George Proffatt, chief of the city electric bureau, was knocked unconscious, and a score of firemen were badly shocked here at 10 o'clock to-night when a lantern in Barnett's hand completed a circuit and sent 5,700 volts from an arc light through his own body and into the metal trimmings of a wall, 120 feet from the ground. The accident occurred during a fire in City Hall.

The fire fighters, who had been following their leader up the steps into the narrow towers, were hurled from their feet, escaping death only because the shock knocked them from the steps to a landing.

Three thousand persons, gathered in the street below watching the flames creep around the clock and the small windows, heard the screams of terror from the injured men. There were wild scenes as men fought through the startled throng to gain entrance to the hall and effect a rescue.

It was thought when word reached the street ten minutes later that a platform had collapsed at the top of the tower and plunged the firemen to their deaths below.

Policemen used their clubs to keep back the crowds, while firemen from the central station, next door to the Municipal Building, rushed through the entrance and up the stairs.

When they arrived they found Carl Cramer and George Messick, hosemen, lying stunned thirty feet below the roof, where, dazed from the shock, they had crawled to escape from the flames that streaked from the top.

Further up on the first landing they found Proffatt gripping the legs of Barnett and trying to drag him from the danger zone. He had pulled the body from the tin covering on which Barnett had been standing when he received the full force of the volts.

Proffatt, when he was revived, still thought he had saved Barnett's life. Had the body remained on the metal covering a few seconds longer it would have been horribly burned, but so quickly did the electric chief act that not a single mark was found on it.

Dr. Charles Bennett was summoned from Kuchin's Hotel. He worked over the body high up on the narrow platform for a half hour before he gave up the battle.

"BABIES BEFORE POLITICS."

California Woman Turns Down Nom-
ination for Assembly.

PASADENA, Cal., July 17.—Though urged by members of the Prohibition party to run for the State Assembly and her hat thrown into the ring without her consent, Mrs. A. L. Hamilton, formerly president of the State Mothers Congress, to-day withdrew from the race, declaring her duty was first to her children and her home and next her State.

"My advice to women," said Mrs. Hamilton, who is the wife of A. L. Hamilton, a well known educator of southern California, "is to keep out of politics until their babies have grown up. Women should take an interest in voting and affairs of State, but let that interest be passive until the little ones at home are able to care for themselves."

Mrs. Hamilton is the mother of five children. "I will neglect my home for nothing on earth," continued Mrs. Hamilton.

ROSENTHAL PLOT PUT UP TO POLICE

Libby and Shapiro Blame Men
on the Force for the
Killing.

JACK ROSE IN THE CAR

Becker's Friend With Itzke, a
Gambler, and Another,
Libby Says.

WON'T TELL DETECTIVES

Pair Will Give Details of
Wild Ride Only to
Whitman.

LINKS ROSE WITH BECKER

Plitt Says Gambler Was Getting
Rosenthal's Former Wife
to Make Affidavit.

Louis Libby and William Shapiro, owners of the automobile that carried Herman Rosenthal's murderers to the Hotel Metropole and sped them through a ring of policemen and who are themselves held in connection with the murder, told their lawyer, Aaron J. Levy, yesterday that policemen instigated the assassination and that they were willing to help the District Attorney to prove it.

They were not specific in making that bald accusation, but maintained it was true. The vagueness of the charge was explained by the statement that the details were being reserved for the District Attorney's car.

Dougherty's detectives searched the city for Big Jack Rose of the Sam Paul Association and a friend of Becker of the strong arm squad, and for a little gambler named Itzke, both of whom are wanted in connection with the killing. At the same time Libby and Shapiro were telling Mr. Levy a thrilling story of how the raid on the Metropole was arranged and of what took place after Rosenthal was shot to death.

The prisoners talked with apparent candor, although there was no doubt that they were belling mad over the inquiry that Second Deputy Commissioner Dougherty put them through on Tuesday afternoon when he dragged from them the names of the men that had used their car. They said they would have no more dealings with the detectives and that they would tell what they knew only to the District Attorney.

Car Halted in Afternoon.

As Libby, spokesman for the pair, tells the story, he was waiting at the Café Boulevard on Monday afternoon for somebody to come along and rent the car that he and Shapiro had bought on the installment plan. Late in the afternoon Whitey, the starter at the Boulevard, got a telephone call from Jack Rose. Rose wanted the automobile for that night and left orders to have it run up to Fourteenth street and be in waiting in front of Tom Sharkey's saloon.

NOTED ART DIRECTOR RESIGNS.

Dr. William Bode Quits Kaiser
Friedrich Museum.

Special Cable Dispatch to THE SUN

BERLIN, July 17.—Dr. William Bode has resigned his position as director of the Kaiser Friedrich Museum.

Dr. Bode is one of the greatest authorities in the world on pictures and has been in the public eye for the last few years because of his disputes with other authorities in regard to the authenticity of certain pictures, particularly those credited to Leonardo da Vinci.

ASK SENATOR WORKS TO RESIGN.

California's Lieutenant Governor
and Others Reproach Him.

LOS ANGELES, July 17.—Forty Californians allied with the new progressive party, and many of them leaders in that organization, late last night telegraphed to United States Senator John D. Works a protest against the interview given out by him in which he dashed cold water on the progressive party movement, and called upon him to resign.

Sensor Works was told that he owed his election to the progressives and that his attitude was a slap in the face to his supporters.

GOLD VEIN UNDER DOCKS.

Former Workman Said to Have
Made Discovery in Cape Town.

SPECIAL CABLE DISPATCH TO THE SUN

CAPE TOWN, July 17.—It is reported that gold bearing quartz has been discovered in excavations under the docks here in a reef thirty feet high.

The man who discovered the vein is named Tearnan. He was employed as a workman on the dock eighteen years ago. Since then he has been employed in the mines in the north and suspected the presence of gold in the soil here. He watched the excavations yesterday and collected some specimens, which he submitted to experts. These men, who he did not know their origin, said they were gold specimens from the Transvaal.

BANK CASHIER SHOT AT.

But No Attempt is Made to Rob
Monette, Who Prepares for Attack.

BABYLON, L. I., July 17.—While he was balancing the cash taken in during the day in the East Islip Bank this afternoon a shot was fired through the window at Charles Monette, cashier of the institution. The bullet shattered the window, passed within an inch of Monette's head and embedded itself in the woodwork in front of his cage. Monette was alone in the building with the exception of his brother William, a boy of 17. The brothers immediately armed themselves, expecting a robbery would be attempted. No clue has been found to the identity of the person who did the shooting.

INFANTA MAY GET DIVORCE.

King Alfonso's Relative Would Wed
French Journalist

SPECIAL CABLE DISPATCH TO THE SUN

PARIS, July 17.—A Madrid despatch to the Temps says the Infanta Eulalia, who has been the social godmother to many Americans in Paris, may become a French citizen and get a divorce, after which she will marry a French journalist.

THE WEATHER FORECAST.

Showers to-day; probably fair to-morrow;
southerly winds.

Detailed weather reports will be found on page 13.

DR. BLUM BADLY HURT.

Berlin University Professor's Skull
Fractured by a Fall.

Hans Blum, Ph. D., professor of economy in the Berlin University, who arrived in this city on Tuesday from Cologne, fell at Fourteenth street and Irving place last night as he was running to catch a westbound Fourteenth street car. He was picked up by Policemen Conlin and carried to a store.

Dr. Blum of Bellevue Hospital said the professor was suffering from a fractured skull, a dislocated right shoulder and several bruises. Dr. Blum was unconscious when taken to the hospital. He was on his way to the White Star Line pier to board a steamship for his return home. He is 37 years old and lives in Nicholas street, Berlin.

POEM FOR UNCLE JOE.

Author of "Henrich Land" Indites
"Inasmuch" for His Admirer.

CAPE MAY, N. J., July 17.—Edgar Page's poem written for Uncle Joe Cannon is the latest the aged author has written. Mr. Page is known as the Fishing Jersey Poet. He arose this morning at 3 o'clock, walked to Schellenger's Landing, a distance of one mile, and rowed five miles after weakfish. He is 77 years old. The poem, which is entitled "Inasmuch," follows:

I saw a pilgrim on his way,
Upon a hot and weary day,
Tired and faint and like to fall;
I spoke, encouraged him was all.

There came a smile upon his face
That shone with gratitude and grace.
He seemed to fix a steeper eye
Upon the mansion in the sky.

Far off I heard his gladdest song
Floating the King's highway along
As he pressed up the narrow road
That takes us home to heaven and God.

"Be quick to lift the fallen up,
Or ever we lose the cooling cup,
For we will feel the spirit touch
And hear him say, 'Inasmuch.'"

GREAT MEAN SPRING WATER.

Free cold drinks in hot weather at the dispensary unless you freely use Augustus Bitter. Ad.